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U.S. Douse of Representatibes

Committee on Energy and Commerce

SUBCOMMITTEE ON ENERGY AND POWER

Bashington, D€ 20515

March 29, 1988

The Honorable Lando W. Zech, Jr. Chairman U.S. Nuclear Regulatory Commission 1717 H Street, N.W. 20555 Washington, D.C.

Dear Chairman Zech:

Thank you for your letter of March 11, 1988 regarding the NRC investigation of the Joseph M. Farley Nuclear Plant.

The materials provided with the letter suggest that there is enough blame to go around to all for having an investigation begun in August, 1985 still incomplete. While it is clear that the confrontational tactics of the Alabama Power lawyers would make the investigation difficult if not impossible to conduct, there appears to have been little effort to resolve the matter by the Commission.

As Chairman, you have an opportunity to use the art of persuasion to convince licensees across the country that the NRC will not look favorably towards licensees that do not exhibit full and complete cooperation with investigations. Ultimately the issues become those of health and safety, not legal decisions, and thus a matter between the Commission and the licensee. Those licensees that fail to provide full cooperation should recognize that they do little to support confidence in their operations.

You could also help to foster greater candor and cooperation by licensees by lending your full support to the Office of Investigations and the vigorous enforcement of your regulations. I have recently introduced legislation to make that office an independent arm reporting directly to the Commission, as it once was organized. As previous letters to you from the chairmen of the House and Senate authorizing committees and subcommittees indicate, we oppose the recent reorganization, and we hope to enlist your support.

5/3... To GPA/OCA to Coordinate Response with OIA, OGC and EDO for Signature of Chairman...Date due Comm: May 9....88-0373 (Cpys to: Cmrs, RF, OGC, FDO, OIA)

The Honorable Lando W. Zech, Jr. March 29, 1988
Page Two

On a separate note, I was deeply disappointed by your handling of the response to my November 19, 1987 letter. As the memorandum indicated, you received a December 18, 1987 draft response to my letter. I have reviewed the draft, and it was fully responsive to my letter. Unfortunately, I never received that letter. Instead, for two months the letter languished within the agency, and the final version was a sanitized version of the draft. Apparently the Commission spent two months deleting information that would be helpful to this subcommittee.

I still hope we can establish an atmosphere of trust and respect. I prefer not to make each request for information into a broad discovery request. Unfortunately this episode suggests that someone at the Commission may be more interested in concealment than cooperation.

Finally, I want to repeat my belief that the Commission must be perceived as a vigorous watchdog and utilities must be perceived as cooperative if nuclear power is to continue to receive public support. Cases such as this one, where an aggressive litigative stance by a licensee can dictate the terms of an investigation and delay it for years, do little to lend support for the view that the NRC is a tough enforcement agency.

I stand ready to assist you, if you believe new enforcement authorities are required.

I would appreciate your answers to the following questions by April 6, 1988.

- 1. On December 10, 1987 the Director of the Office of Inspector and Auditor stated that their investigation would be completed in 60 days. However, in your February 17, 1988 letter to me, you state that the investigation will be completed in another 90 days.
 - (a) What caused this delay?
 - (b) Please provide the final report, when completed.

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The Honorable Lando W. zech March 29, 1988 Page Three

- 2. The Department of Justice recommended adoption of regulations dealing with the sequestration of lawyers in a letter on January 21, 1987. However, no action has been taken.
 - (a) Were the Commissioners told of this advice? If so, when?
 - (b) Why has no action been taken on this recommendation?
- 3. Please explain the reason for delay in response to my November 19, 1987 letter. Please explain who decided to eliminate much of the information in the draft letter and for Olu A' what reason.
- 4. Please provide the Subcommittee with a monthly status report on this case, and provide a copy of the final report.

sincerely,

Philip Sharp

Chairman